



MANAGEMENT AND DEVELOPMENT FOR HEALTH (MDH)

REQUEST FOR PROPOSAL (RFP)

Provision of External Audit Services | Issue Date: 07th September 2026
Proposal Submission Deadline: 13th September 2026

1. INTRODUCTION

Management and Development for Health (MDH) is a Tanzanian non-governmental organization established in 2009 to support and strengthen public health systems through evidence-based and innovative interventions. MDH works in partnership with the Government of Tanzania, development partners, stakeholders, and communities to address public health priorities.

MDH's core business encompasses the design, implementation, and evaluation of programs and research in communicable diseases, chronic non-communicable diseases, reproductive, maternal, newborn, and child health, nutrition, health information systems, and health systems strengthening.

MDH hereby invites qualified and eligible audit firms to submit Technical and Financial Proposals for the provision of External Audit Services for the financial year ending 31 December 2026.

2. OBJECTIVE OF THE ASSIGNMENT

The objective of this assignment is to engage an independent external audit firm to conduct an audit of MDH's financial statements and provide an independent opinion on whether the financial statements present fairly, in all material respects, the financial position of MDH in accordance with applicable accounting standards and donor requirements.

3. SCOPE OF WORK

The selected audit firm shall:

1. Audit the annual financial statements for the financial year ending 31 December 2026.
2. Audit the USG-funded projects.
3. Review accounting records and supporting documentation.
4. Assess the adequacy and effectiveness of internal controls.
5. Verify compliance with applicable laws, regulations, donor agreements, and organizational policies.
6. Conduct risk assessments and substantive audit procedures.
7. Review grant expenditures and donor compliance requirements where applicable.
8. Identify internal control weaknesses and provide practical recommendations.
9. Attend audit exit meetings and present findings to management.
10. Submit:
 - Independent Auditor's Report;
 - Management Letter;
 - Final audited financial statements;
 - Any donor-specific audit reports required under funding agreements.

4. ELIGIBILITY REQUIREMENTS

Interested firms must provide evidence of:

- Legal registration in Tanzania.
- Valid Tax Identification Number (TIN).
- Valid Tax Clearance Certificate.
- Registration with the National Board of Accountants and Auditors (NBAA).
- Valid Practicing Certificate.
- At least five (5) years' experience in external auditing.
- Experience auditing NGOs, donor-funded projects, or international organizations.
- Recommendation from at least 3 reputable NGO/INGOs
- Availability of qualified audit personnel.

5. PROPOSAL SUBMISSION REQUIREMENTS

5.1. Technical Proposal

The Technical Proposal shall contain:

- i. Cover letter signed by an authorized representative.
- ii. Company profile.
- iii. Certificate of incorporation/registration.
- iv. NBAA registration certificate and practicing license.
- v. Description of similar assignments undertaken during the last five years.
- vi. At least three references from comparable clients.
- vii. Proposed audit methodology and work plan.
- viii. Proposed audit team and CVs of key personnel.
- ix. Statement of availability.
- x. Signed Conflict of Interest Declaration Form (Annex I).
- xi. Any other supporting documentation demonstrating capability.

5.2. Financial Proposal

The Financial Proposal shall include:

- i. Professional fees.
- ii. Applicable taxes.
- iii. Breakdown of costs [Level of effort].
- iv. Any reimbursable expenses.
- v. Total proposed contract price in Tanzanian Shillings (TZS).

The Financial Proposal must be submitted separately from the Technical Proposal.

6. EVALUATION CRITERIA

The evaluation shall be conducted using a combined technical and financial scoring method.

6.1. Technical Evaluation (90%)

Evaluation Criteria	Weight (%)
Firm's Relevant Experience in Similar Assignments	25
Qualifications and Experience of Key Personnel	20
Audit Methodology and Work Plan	20
Understanding of NGO and Donor Compliance Requirements	15
Organizational Capacity and Availability of Resources	5
References and Past Performance	5
Technical Total	90

Only firms achieving a minimum technical score of **70 points out of 90** shall proceed to financial evaluation.

6.2. Financial Evaluation (10%)

Evaluation Criteria	Weight (%)
Cost Competitiveness	10
Financial Total	10

The lowest evaluated financial proposal shall receive the maximum score of 10 points.

Financial scores shall be calculated as follows:

$$\text{Financial Score} = (\text{Lowest Evaluated Price} \div \text{Bidder's Price}) \times 10$$

6.3. 8.3 Final Ranking

The final score shall be calculated as:

$$\text{Final Score} = \text{Technical Score} + \text{Financial Score}$$

The bidder obtaining the highest combined score shall be recommended for award.

7. CONFLICT OF INTEREST

All bidders must submit a duly completed and signed Conflict of Interest Declaration Form (Annex I). Failure to submit the declaration may result in disqualification. Any actual, potential, or perceived conflict of interest must be disclosed immediately.

8. RIGHT TO ACCEPT OR REJECT PROPOSALS

MDH reserves the right to:

- Accept or reject any proposal.
- Cancel the procurement process at any stage.
- Request additional information from bidders.
- Negotiate with the highest-ranked bidder.

MDH shall not be obligated to provide reasons for any procurement decision.

9. SUBMISSION OF PROPOSALS

All applications should be submitted together with disclosure form of conflict of Interest and the Technical and Financial Proposals should be submitted in separate electronic files at pmu@mdh.or.tz clearly marked:

- i. "TECHNICAL PROPOSAL – EXTERNAL AUDIT SERVICES"
- ii. "FINANCIAL PROPOSAL – EXTERNAL AUDIT SERVICES"

Addressed to:

Chief Executive Officer

Management and Development for Health (MDH)

P.O Box 79810/ Mikocheni B/ Old Bagamoyo road/ Plot no. 802

Dar es salaam.

Deadline: not later than 13th September 2026 at 10:00 Am.

***Note: Terms of reference should be read together with this RFP.**



Scan here to get Disclosure Form



ENHANCED TERMS OF REFERENCE FOR EXTERNAL AUDIT SERVICES

USG-FUNDED PROGRAMS – COMPLIANCE WITH 2 CFR PART 200

1. Background

Management and Development for Health (MDH) is a Tanzanian non-governmental organization dedicated to strengthening health systems and improving public health outcomes through evidence-based interventions, research, and technical assistance.

MDH implements multiple donor-funded programs, including projects funded by the United States Government (USG), and prepares its annual financial statements in accordance with International Public Sector Accounting Standards (IPSAS).

MDH seeks to engage an independent external audit firm to conduct the annual audit of its financial statements and related donor-funded programs.

2. Audit Objective

The objective of the audit is to enable the external auditor to express an independent professional opinion on whether:

1. The financial statements present fairly, in all material respects, the financial position of MDH.
2. The financial statements have been prepared in accordance with IPSAS.
3. Funds received and expenditures incurred have been utilized for their intended purposes.
4. Internal controls are adequately designed and operating effectively.
5. MDH has complied with applicable donor requirements, laws, regulations, grant agreements, and internal policies.

3. Scope of Audit

The audit shall be conducted in accordance with:

- International Standards on Auditing (ISA);
- International Public Sector Accounting Standards (IPSAS);
- International Ethics Standards Board for Accountants (IESBA) Code of Ethics;
- Applicable laws and regulations of the United Republic of Tanzania;
- Award agreements and donor requirements;



- 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- Applicable provisions issued by US Government agencies and other donors funding MDH programs.

The auditor shall plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement and that donor-funded activities have been managed in accordance with applicable regulations and award conditions.

4. Review of Internal Controls

In accordance with 2 CFR 200.303, the auditor shall evaluate whether MDH has established and maintained effective internal controls over Federal awards.

The review shall include assessment of:

- Control environment and governance structures;
- Risk assessment processes;
- Segregation of duties;
- Financial reporting controls;
- Procurement controls;
- Cash management controls;
- Payroll controls;
- Subrecipient monitoring controls;
- Asset management controls;
- Information technology controls;
- Fraud prevention and detection controls;
- Monitoring activities and corrective action processes.

The auditor shall identify any significant deficiencies or material weaknesses in internal controls and provide recommendations for improvement.

5. Compliance Testing of USG Awards

The auditor shall perform compliance procedures over US Government-funded awards and assess whether MDH has complied with applicable Federal requirements.

The audit shall include testing of:

A. Allowable Costs and Cost Principles

Review whether expenditures:



- Are reasonable, allocable, and allowable;
- Are adequately supported by documentation;
- Comply with award terms and conditions;
- Meet requirements of 2 CFR 200 Subpart E.

B. Cash Management

Assess whether cash advances and reimbursements are managed in accordance with donor requirements and applicable regulations.

C. Procurement Standards

Review procurement transactions for compliance with:

- Competitive procurement requirements;
- Conflict of interest provisions;
- Documentation requirements;
- Procurement thresholds and approval procedures.

D. Equipment and Property Management

Assess compliance with property management requirements, including:

- Asset registers;
- Physical verification procedures;
- Asset safeguarding measures;
- Disposition procedures.

E. Subrecipient Monitoring

Where applicable, verify whether MDH has:

- Conducted risk assessments of subrecipients;
- Executed compliant subaward agreements;
- Performed ongoing monitoring;
- Reviewed financial and programmatic reports;
- Followed up on findings and corrective actions.

F. Reporting Requirements

Review whether:

- Financial reports are accurate and complete;
- Reports agree with accounting records;
- Reports were submitted within required timelines.



G. Program Income

Where applicable, verify proper accounting and utilization of program income.

H. Cost Sharing and Matching

Review compliance with any cost-sharing or matching requirements specified in award agreements.

6. Fraud Risk Assessment

The auditor shall evaluate MDH's processes for preventing, detecting, and responding to fraud, waste, abuse, and corruption.

Audit procedures shall include consideration of:

- Fraud risk indicators;
- Related-party transactions;
- Conflict of interest management;
- Whistleblower mechanisms;
- Management override of controls.

Any suspected fraud or material irregularity identified during the audit shall be communicated promptly to MDH management and governance structures.

7. Audit Deliverables

The auditor shall provide the following:

A. Independent Auditor's Report

Expressing an opinion on whether the financial statements are fairly presented in accordance with IPSAS.

B. Report on Internal Control

Including:

- Significant deficiencies;
- Material weaknesses;
- Recommendations for corrective action.

C. Compliance Report

Addressing compliance with:

- Award agreements;
- Applicable Federal regulations;
- 2 CFR Part 200 requirements;



- Donor-specific regulations.

D. Schedule of Audit Findings and Questioned Costs

The report shall identify:

- Material weaknesses;
- Significant deficiencies;
- Instances of non-compliance;
- Questioned costs;
- Unsupported costs;
- Recommendations and management actions.

E. Management Letter

Including:

- Operational observations;
- Internal control weaknesses;
- Compliance issues;
- Opportunities for strengthening systems and controls.

8. Audit Findings Classification

Audit findings shall be classified according to severity and include:

- Criteria;
- Condition;
- Cause;
- Effect/Risk;
- Recommendation;
- Management response;
- Agreed corrective action plan.

9. Experience Requirements

The audit firm must demonstrate:

- Experience auditing organizations receiving US Government funding;
- Knowledge of 2 CFR Part 200 Uniform Guidance;
- Experience auditing donor-funded programs;
- Experience reviewing internal controls over Federal awards;
- Capacity to identify questioned costs and compliance findings;
- Availability of personnel knowledgeable in donor compliance and IPSAS reporting.



Until Everyone is Healthy

At least one senior member of the audit team should have demonstrable experience conducting compliance audits of US Government-funded awards.